

BOARD OF COMMISSIONERS OF COOK COUNTY
FINANCE COMMITTEE

Taken Friday, October 18, 2013
at 9:00 a.m.

Cook County Board Room
118 North Clark Street

Board Room

Room 569

Chicago, Illinois 60602

Bureau of Economic Development

PRESENT:

CHAIRMAN: MR. JOHN P. DALEY

VICE-CHAIR: MS. DEBORAH SIMS

COMMISSIONERS: MR. JERRY BUTLER
MS. EARLEAN COLLINS
MR. JOHN A. FRITCHEY
MS. BRIDGET GAINER
MR. JESUS G. GARCIA
MS. ELIZABETH ANN DOODY GORMAN
MR. GREGG GOSLIN
MR. STANLEY MOORE
MS. JOAN PATRICIA MURPHY
MR. EDWIN REYES
MR. TIMOTHY O. SCHNEIDER
MR. PETER N. SILVESTRI
MR. ROBERT STEELE
MR. LARRY SUFFREDIN
MR. JEFFREY R. TOBOLSKI

ALSO PRESENT:

MR. MATTHEW B. DeLEON, Secretary
MR. ANTHONY W. LISANTI, Court Reporter

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3 CHAIRMAN DALEY: Commissioners, we are
4 going to have the Bureau of Economic Development.
5 Hopefully, Commissioner Gainer, we may be able to do
6 Technology and Human Resources before noon. If not,
7 we will have one of the departments come back next
8 week.

9 The Bureau of Economic Development,
10 Herman Brewer.

11 MR. BREWER: Thank you, Mr. Chairman.

12 Today you will hear in detail the
13 important work of our team in the Bureau of Economic
14 Development over 2013 and our expectations for 2014.
15 Our work to date has been highly recognized for our
16 reinventions of how we are approaching economic
17 development in northern Illinois, and Cook County in
18 particular.

19 We have worked to restore the trust of
20 corporate, nonprofit, municipal, and civic partners.
21 By, one, creating an advisory council for this
22 President, reconstituting dormant advisory groups
23 and staff, and we have moved from being an entity on
24 a Federal watch list, with the Federal Government,

1 to being an award-winning body for the very same
2 work. We have moved from troubled to clean audits.

3 We have been aggressive in pursuit of
4 proposals, both to Washington and to local
5 philanthropy, which has led to new resources,
6 revenues, and having been secured to do creative
7 work on behalf of our partners, our valued partners
8 and our most vulnerable municipalities and
9 populations. All of this with many fewer FTEs,
10 significantly reduced annual Federal allocations and
11 County corporate funds.

12 I would like to begin by introducing
13 our team -- our Director of Planning and
14 Development, to the left, over here, talking with
15 glasses -- Mike Jasso. Our head of Capital
16 Planning, John Cooke. The head of Real Estate, Anna
17 Ashcraft. Building and Zoning, Tim Bleuher -- no
18 relation. Still on his way over here is Andy
19 Przybylo, Secretary of the Zoning Board of Appeals.
20 We also have joining us Karen Norington-Reeves from
21 the Workforce Partnership, formerly Cook County
22 Works, and formerly a part of the Bureau of Economic
23 Development.

24 I will begin by saying, Mr. Chairman,

1 that at the bureau level we have begun significant
2 staff reductions, and commensurate salaries, dating
3 back to 2011 up to today. Overall, we have begun
4 significant staff reductions in various departments.
5 We are increasing staff in other areas, particularly
6 in our Capital Planning area.

7 But, more importantly, we are again
8 trying to drive new revenues for this County, and
9 seeing net increases in dollars coming to this
10 County, both from grants and sources based on
11 creative work of our team.

12 We will begin with a summary of our
13 work from the Real Estate area. I am asking Anna
14 Ashcraft.

15 MS. ASHCRAFT: Good morning, Commissioners.
16 Anna Ashcraft, Director of Real Estate Management.

17 The Real Estate Management Division's
18 mission is to manage the use and occupancy of all
19 real estate -- owned and leased real estate in the
20 County in order to ensure that the elected officials
21 and departments have space in which to efficiently
22 carry out their governmental functions.

23 In 2013 we have had several -- many
24 accomplishments. The major accomplishment is the

1 completion of the real estate assessment that we
2 have been working on with US Equities for quite some
3 time. In the course of that project, we have
4 accumulated a very essential database of information
5 on space use countywide, as well as floor plans;
6 which has provided us with the information that we
7 need in order to analyze space use and become more
8 efficient in space use, and deal with space requests
9 from the departments from time to time.

10 We have also identified top priorities
11 per implementation of that real estate assessment,
12 which will start in 2014, and it will enable us,
13 over time, to save significant sums of money on our
14 space use.

15 Our highlights for 2014 are the
16 implementation steps that we will be taking. We
17 will begin consolidating our downtown office space
18 to achieve a more efficient space use ratio for our
19 administrative departments. We will be planning for
20 the consolidation of our warehouse space. That will
21 be a process of planning and purging over the next
22 year or more. We will be consolidating some vehicle
23 maintenance facilities and disposing of two
24 properties, which is a good start on our reduction

1 in footprints that we hope to achieve; also
2 developing a plan to consolidate the Oak Forest
3 campus health uses and begin repurposing those
4 properties.

5 Our second focus is related; which is
6 to continue the efforts of the Space Allocation
7 Committee to evaluate the space requests by
8 department, and, over time, to consolidate those
9 uses. We have worked hard to try to begin to
10 cultivate a culture where people, departments are
11 aware of the value of their space, which has been
12 frankly viewed as free in the past. We are starting
13 to achieve some of that. We actually had a
14 department offer up space this year in 69 West
15 Washington that they were not using any more. We
16 will be coming to the Board in the next couple of
17 months with a lease for that space.

18 With that, I will step aside and
19 answer any questions.

20 CHAIRMAN DALEY: Are there any questions?

21 Thank you.

22 Our next department.

23 MR. JASSO: Good morning, Commissioners.

24 My name is Michael Jasso, the Director of the

1 Department of Planning and Development.

2 Briefly, the mission of the department
3 is to foster economic opportunities and business
4 development; promote the retention and development
5 of affordable housing throughout the County; support
6 social services; and significantly leverage local
7 resources, public and private, that reflect local
8 priorities.

9 In 2013 the Department encouragingly
10 had a number of accomplishments. Significantly, the
11 Department and the County were awarded a \$30 million
12 Section 108 loan guarantee, coming from HUD, which
13 is a loan guarantee program which supports the BUILT
14 in Cook program that we will be launching in 2014.
15 It successfully expended approximately \$35 million
16 in Federal NSP dollars, which supported the
17 development of eighty-one home ownership units; 168
18 rental units; forty-two unit demolitions; and one
19 public facility across twenty suburban communities.
20 Some of these projects still remain in progress, but
21 these were significant projects in their respective
22 communities.

23 We successfully expended over \$15
24 million in Federal CDBG funds. What is significant

1 about this -- this includes \$6 million that
2 previously had been at risk due to the inability of
3 the County to successfully deploy those dollars in
4 previous years. So, in fact, we achieved measures
5 that HUD considers important in terms of the
6 expenditure. They ensured not only continued
7 funding from CDBG, but, hopefully, if opportunities
8 ever arise, for expanded funding.

9 We also committed \$27.1 million of
10 previously undeployed Federal HOME dollars. These
11 are Federal HOME Investment Partnerships Program
12 dollars that dated back to 2008 for the production
13 of affordable housing in ten eligible projects
14 across ten communities.

15 Realizing that in order to be
16 productive the Department, which is principally
17 federally-funded in terms of grant funds -- we
18 encouraged three northwest municipalities to join
19 the HOME consortium for HOME dollars. This allows
20 the County to leverage larger dollars based on the
21 allocation funding mechanism that HUD utilizes.

22 The Department also manages and
23 administers a number of tax incentives. Through
24 these incentives, we have encouraged \$150 million in

1 private investment. These, we believe, will result
2 in 1900 jobs, 600 retained, and provided assistance
3 to forty-eight businesses in twenty-two
4 municipalities.

5 Finally, in 2013, we saw the
6 reconstitution of the Economic Development Advisory
7 Committee -- EDAC -- whose role is to advise on
8 property tax incentives, such as the Class 7b, but
9 also to help in terms of advising on incentives,
10 policies, and strategies for investment.

11 As we move forward in 2014, the
12 Department, which is funded, as I mentioned, through
13 the Federal grants, we continue to see a challenging
14 environment. Between 2010 and 2013, to put this in
15 context, the CDBG funding declined by thirteen
16 percent in that same period. HOME funding, which I
17 mention is for the affordable housing, declined by
18 thirty-six percent.

19 The Department was awarded
20 approximately \$14.5 million for 2014, in terms of
21 CDBG, ESG, and HOME funds, which, I believe, will
22 support twenty-nine capital improvement projects,
23 more than fifty social service agencies, and six
24 affordable housing projects, resulting in 485 units.

1 We continue to leverage resources for
2 outside grant opportunities, such as the successful
3 submission of a HUD choice neighborhoods planning
4 grant.

5 We continue to look at the expansion
6 of the HOME Consortium, as well as the CDBG Urban
7 County, all of which are ways to leverage more
8 Federal dollars.

9 We will be launching the
10 implementation of the BUILT in Cook loan fund, which
11 is supported through the \$30 million Section 108
12 loan guarantee program.

13 We continue collaboration with sister
14 agencies and other entities, including the launching
15 of the Cook County Land Bank Authority, which will
16 be a critical player in the developing of
17 opportunities that exist throughout the County.

18 We also will be doing new things,
19 which we began this year, which is to leverage
20 private activity bonds, which is the first time in
21 over a decade that the County has done that. This
22 is an opportunity to use access to tax-exempt
23 financing markets to promote both the affordable
24 housing, but also industrial-related projects.

1 Finally, we will be launching a five-
2 year strategic planning process that is required
3 both by the Department of Commerce for a
4 comprehensive economic development strategy, which
5 is CEDS, which basically places the priorities in
6 terms of economic development throughout the County.
7 But also a five-year consolidated plan which seeks,
8 through the usage of the CDBG funds and other
9 Federal HUD grants, dollars for the 2015 to the 2019
10 period.

11 Your final slide is the Department's
12 presentation which speaks to a number of metrics;
13 most notably, as I have mentioned, which is the
14 rental housing production which you will see in the
15 metric highlight. It continues to increase under
16 the sponsorship of County programs, and we look
17 forward to continuing that.

18 With that, I will be ready for
19 questions.

20 CHAIRMAN DALEY: Commissioner Fritchey.

21 COMMISSIONER FRITCHEY: Thank you.

22 How are you today?

23 MR. JASSO: Good morning. Thank you.

24 COMMISSIONER FRITCHEY: I was back in my

1 office, but I heard some of the earlier parts of
2 your statement. I have a couple of questions that
3 are actually heightened a little bit by what you
4 stated.

5 When it comes to the community
6 development block grants -- when I look at the
7 numbers in the book, it looks as if only
8 approximately fifteen percent of what was
9 appropriated was actually given out. I am looking
10 at the appropriations of \$9.3 million and \$1.4
11 million were distributed.

12 MR. JASSO: I am joined by Dominick Tocci,
13 who is the program manager for CDBG. He can address
14 some of that specifically.

15 If I could make a general comment with
16 respect to award lag; the funding utilization versus
17 the award lag. Typically, the awards are made in
18 the June cycle of any given year. The program year
19 begins on October. Funding of any of the social
20 service agencies can begin at that point. That is
21 typically on a quarterly drawdown basis.

22 The capital improvement projects
23 typically begin the following spring, simply because
24 of the construction cycle. So there often is a lag

1 between what is shown as the award, which is the
2 appropriation, and the actual drawdown of funds. I
3 am sure Dominick can elaborate on some of that.

4 COMMISSIONER FRITCHEY: If there is a lag
5 in a drawdown, that drawdown would be reflected here
6 from the previous year. One way or the other, there
7 is a discrepancy between what was appropriated and
8 what was actually given out.

9 MR. JASSO: I would ask Dominick to address
10 that.

11 COMMISSIONER FRITCHEY: Welcome, Dominick.
12 You have been put on the block

13 MR. TOCCI: Good morning. Delighted to be
14 here.

15 I am Dominick Tocci, T-O-C-C-I, Deputy
16 Director of Community Development.

17 I guess I want to start, just to get
18 clarification -- can you tell me where you are
19 seeing this \$1.4?

20 COMMISSIONER FRITCHEY: I am looking at
21 what was designated, on page M-1 in the budget book.
22 It is under the Bureau of Economic Development,
23 summary of appropriations. When I look into the
24 restricted funds, line 942 is the community

1 development block grants. It says the 2013 adjusted
2 appropriation -- \$9,318,863. That the expenditure
3 through September 27 was \$1,426,000. A little quick
4 math says that out of the \$9.3 million that was
5 appropriated only about fifteen and a half percent
6 of that was actually distributed.

7 MR. TOCCI: What I would say is we can get
8 you the correct number. I am not familiar with that
9 number offhand.

10 COMMISSIONER FRITCHEY: Are you saying that
11 the numbers in the budget are wrong?

12 MR. TOCCI: The amount that we have
13 expended, that is not correct. Of the \$9.3 million,
14 we did fully --

15 COMMISSIONER FRITCHEY: What do you think
16 the correct number would be, approximately?

17 MR. TOCCI: I think we expended probably
18 about seventy-five percent of that funding by now.

19 COMMISSIONER FRITCHEY: You are saying that
20 this number is off probably by \$5 million?

21 MR. TOCCI: Yes. I think that is a fair
22 statement.

23 MS. GIBSON: If I may interject -- these
24 numbers are from the central financial system with

1 some grants. Mike Jasso mentioned that there is
2 some lag time in terms of the counting. This is
3 what is reflected in the J.D. Edwards. We can
4 circle (??) that with Planning to see if there are
5 other expenditures that are in the pipeline that
6 wouldn't have been reflected in the final --

7 COMMISSIONER FRITCHEY: Let me jump in for
8 one second. Forgive me, but obviously you can
9 understand the issue though; that that money has got
10 to be somewhere. Excuse me for one second. I don't
11 want to take you down the road unnecessarily; I just
12 want to make sure that I am understanding something.

13 If over \$9 million was appropriated,
14 and the numbers that we were given, the only numbers
15 that we were given is showing that \$1.4 million were
16 distributed -- I understand what you are saying,
17 that maybe there is money in the pipeline. Where is
18 the money in the pipeline going to be shown? It's
19 got to be accounted for somewhere to make all of
20 these numbers balance out.

21 MS. GIBSON: Yes, and I will be happy to
22 look at it. I don't know the detail offhand, but
23 this is drawn down from our financial system. I
24 will be happy to get back to you on that. I think

1 this is a question maybe more for -- we can work
2 together, certainly, but it sounds like it is more
3 of a question for the Budget Office.

4 MR. TOCCI: The one comment I was going to
5 make -- again, not knowing the exact number you are
6 talking about. The thought I had is that that could
7 be the administrative portion of our expenditures.

8 COMMISSIONER FRITCHEY: I don't think you
9 want to say the administrative portion of
10 distributing \$1.4 million was about \$5 million.

11 MR. BREWER: Commissioner, I will
12 reiterate. In fact, this is a budget accounting
13 issue. There is a significant time lag between what
14 is reported in the book and where our expenditures
15 are to date. I can assure you that the updated
16 information relative to our grants, which we can
17 provide, will show upwards of over seventy percent
18 of those monies having been put out.

19 COMMISSIONER FRITCHEY: That makes sense.
20 I have little to no qualm of taking you at your
21 word. I guess my follow-up question, then, doesn't
22 fall on you or Dominick.

23 Andrea, it's out of frustration as
24 much as confusion. Here is this one line item where

1 there is approximately \$5 million unaccounted for.
2 If this is the only information that we get, we have
3 nothing else to base this on. Nobody would have
4 known this but for this question being asked. I
5 know, and candidly CDBG doesn't really affect my
6 City District. I have talked to my colleagues, and
7 the issue is trying to get grants, and they are
8 saying that money is not available. Then you look
9 here, eighty-five percent of the money hasn't been
10 expended. Even if it is twenty-five percent of it
11 that hasn't -- you are saying that the number, as
12 Dominick said, is closer to seventy percent. It
13 still means that there is a few million that we
14 didn't use that was appropriated.

15 MS. GIBSON: I will be happy to look into
16 this. I understand the frustration.

17 COMMISSIONER FRITCHEY: It is not a
18 frustration yet. It is a confusion first.

19 MS. GIBSON: I apologize. There is a lot
20 of information I have off the top of my head, but
21 this is one I have to look into.

22 COMMISSIONER FRITCHEY: There may be a
23 second one -- hold on -- in this same area. There
24 is definitely still confusion.

1 Who oversees HOME Investment
2 Partnerships?

3 MR. BREWER: That is in our Planning and
4 Development.

5 COMMISSIONER FRITCHEY: Does that fall on
6 Dominick or somebody else?

7 MR. BREWER: Jane Hornstein, who is not
8 with us. She is on a medical leave.

9 COMMISSIONER FRITCHEY: I hope she is okay.
10 The 2013 appropriation for HOME
11 Investment Partnerships was \$3,677,935. According
12 to the budget information that we are given, not one
13 dollar was put out. Notwithstanding that, there has
14 been an additional \$300,000 for next year.

15 MR. BREWER: Once again, similar to HOME,
16 the utilization of those dollars is pretty much a
17 hundred percent. They are all allocated to an
18 actual project. But the drawdown of those funds,
19 once again, is a function of construction. In many
20 of these cases, the construction might not have been
21 done. The award is done, and the project is going
22 to move forward, but it may not have reached the
23 point of closing. It may be closed and there may
24 not be a drawdown on the funds.

1 COMMISSIONER FRITCHEY: I apologize. I am
2 sorry, but I get where you're going. I guess my
3 question will be similar then. If we appropriate
4 \$3.6 million, and we are showing literally zero
5 having been expended, you are saying it is basically
6 that there is a lag. Shouldn't there be an
7 expenditure shown then for monies that were drawn
8 down in the previous budget? That money has got to
9 be somewhere. If the 2013 money isn't shown here
10 that it is being expended, I expect it to be shown
11 in next year's budget as having been expended.
12 Going backwards, it would be the same thing, from
13 the year before.

14 We can't keep putting millions of
15 dollars into these partnerships and then saying --
16 we are never going to see an accurate number of what
17 has been actually expended.

18 MR. BREWER: Our department can provide you
19 with a very accurate project by project summary of
20 each allocation, each project, each dollar having
21 been awarded to projects, and where they are on the
22 timeline.

23 We have, in fact, and this Body has
24 voted on every single one of those projects. We

1 have expended down probably around \$15 million.
2 What had been previously unspent HOME funds. So we
3 have awarded HOME dollars to projects. There have
4 been a number of ribbon-cuttings. Several
5 Commissioners have been out to them. But we can
6 give you a very detailed summary of those
7 expenditures.

8 There is also two years. Generally
9 these are not sort of year-to-year expenditures
10 because of the nature of the real estate and
11 projects, and the other funding associated with
12 these deals. These are layer-funded deals. Many of
13 them have five or more sources of capital that have
14 to be secured for them to go forward.

15 We have worked with, underwritten and
16 secured, and applied these dollars to the best deals
17 all across the County for low to moderate income and
18 vulnerable populations. We have expended virtually
19 every dollar. We have been recognized by HUD for
20 the wise reallocation and focus of our dollars. We
21 can give you very detailed reports on that.

22 COMMISSIONER FRITCHEY: Let me clarify
23 something. I am in no way saying that you guys
24 haven't overseen the program well. I am in no way

1 saying that it hasn't made a difference, and the
2 money has been well-utilized.

3 I guess my issue is not internal to
4 your department, but, again, it is more of a
5 process. But for asking questions like this, where
6 we are given the budget books and we are trying to
7 say -- we have an opportunity to ask questions.
8 Again, we never see these numbers. If what we are
9 looking at here -- and this is made available to the
10 public -- what they are going to see is over \$3.5
11 million is appropriated. There is nothing detailed
12 for expenditures, whether they were expenditures
13 that were made from the 2013 appropriation or the
14 2012 or 2011 appropriation. Somewhere they should
15 have been picked up in a budget accounting. We
16 never get to see it.

17 I don't know if you guys are not only
18 spending ninety-five percent of the money, and you
19 are spending it fantastically; then you deserve
20 praise for that. If you're only spending twenty
21 percent of it, we want to know that, too. But we
22 have no idea whether to hug you or hate you.

23 Andrea?

24 MS. GIBSON: Commissioner, thank you.

1 I will definitely take a look at this.
2 My suspicion is that the budget reflects grants that
3 we think will be available during 2014. As Herman
4 indicated, we have been spending down prior year
5 grants. I will be happy to follow up with you
6 because I don't know the full answer.

7 COMMISSIONER FRITCHEY: Maybe it is a lack
8 of accounting or budgeting processes on my part.
9 Should there be something in that expenditure, even
10 if it was previously encumbered monies? Shouldn't
11 there be something to say: During 2013 "X" number
12 of dollars was expended in HOME investment
13 partnerships?

14 MS. GIBSON: I will take a look at it.
15 Each of the grants is treated individually. There
16 are a lot that we are looking at right now that are
17 recurring, like CDBG and HOME. But for other grants
18 that wouldn't necessarily be recurring, I don't know
19 that we have reported it in that way. I will take a
20 look at that and get back to you soon.

21 COMMISSIONER FRITCHEY: I guess the other
22 fortunate news is that without the information I
23 have got nothing else that I can ask.

24 CHAIRMAN DALEY: Maybe we can run the most

1 recent from the J.D. Edwards system to show it at
2 the end of this month, what is being reflected.

3 COMMISSIONER FRITCHEY: This impacts my
4 colleagues more than my District. With every
5 passage of the budget cycle, I am just trying to
6 understand a little bit more.

7 Mr. Chairman, thank you for your
8 indulgence. I appreciate it.

9 CHAIRMAN DALEY: Vice Chair Sims.

10 COMMISSIONER SIMS: Thank you, Mr.
11 Chairman.

12 Herman, I don't know if my question is
13 to you or somebody else. Mine is with regards to
14 the change in the CDBG program. I have been here
15 nineteen and a half years. Your focus has truly
16 changed from what it used to be in the past. In the
17 past, CDBG was strictly used for infrastructure for
18 the different communities. Now your focus, I see
19 now you are funding social service agencies, which
20 was not something that we have ever done in the
21 past. I ask that question because at the southern
22 end of Cook County -- I think you and I have
23 discussed this -- when I talked to my Mayors to find
24 out from them who got CDBG funding, only one of them

1 has gotten funding.

2 They have infrastructure problems. I
3 see that the monies that we were using previously
4 for infrastructure is now going for social service.
5 The reason why you have this, where HUD was saying
6 you weren't spending your money from CDBG because
7 those programs were done in phases. Yes, if they
8 were done in phases, you would not have spent all of
9 your money. Because if we were only trying to
10 allocate all of the money to different communities,
11 and there wasn't enough to say: Okay, we are going
12 to give it all to you this year. We will do it in
13 phase one, two, and three. They say: We can't
14 complete the project because you are not giving me
15 enough this year. I will wait until next year.
16 Then they got next year's money and they expended it
17 for the first phase, and then they had to wait for
18 two or three other years in order to get to the
19 second phase.

20 So, yes, when HUD looked at your
21 books, you did have money on the books. Now you are
22 saying you are spending the money down that was from
23 the prior years. But when you are also tacking on
24 social services, you left those communities with no

1 way of doing infrastructure projects. Help me with
2 that.

3 MR. BREWER: Yes. A few points you are
4 making here. I will try to point out how we have it
5 here to what is expected from the Federal
6 Government.

7 One, I will begin by saying we had a
8 fairly dramatic shift in poverty and the needs for
9 the social services that we have begun to fund in
10 portions of suburban Cook County.

11 We now have more dramatic poverty and
12 social service stats in suburban Cook County than we
13 do in the City. It is a dramatic shift, and we have
14 been asked to try and help develop and work and fund
15 the agencies that are providing that sort of
16 assistance to this very needy population. We have
17 been working in collaboration with the local
18 philanthropies, United Way, and others to try to
19 fulfill that need.

20 The other is we have percentage caps
21 for the categories of things that we can expend the
22 CDBG dollars for. There is an expectation to not
23 exceed a certain cap for infrastructure in a given
24 year.

1 I am going to get to your point about
2 the different projects from year to year.

3 COMMISSIONER SIMS: You mentioned social
4 services. I want to go back to that one. My
5 concern is, and I understand the needs -- when we
6 had Karen Norington-Reeves -- what was that
7 department called? It was social services. The
8 money that we used for WIA and the money that we
9 share now with the City, those were dollars we used
10 for social service programs. But now those have
11 been rolled into CDBG.

12 MR. BREWER: That is actually incorrect.

13 COMMISSIONER SIMS: No, that is correct.

14 MR. BREWER: Those were WIA dollars used
15 for job development programs. We can't necessarily
16 mix and match those. We didn't have agencies
17 providing counseling for domestic abuse.

18 COMMISSIONER SIMS: Oh, yes, we did. That
19 was under that particular department. I was here.
20 I voted on it. I know we did.

21 MR. BREWER: Let me try and address the
22 issue you raised about public infrastructural work
23 and the annual allocations going to projects.

24 We have had a number of municipalities

1 who had unspent allocations for projects that we had
2 never started or not completed. That was taken into
3 consideration. We were asked to address that by the
4 Federal Government.

5 We have now begun to coordinate with
6 those municipalities to work with other dollars that
7 they have leveraged, along with the CDBG allocation,
8 like their local MFT funds and things of that
9 nature. That is so our dollars are not allocated to
10 projects that have standalone dollars.

11 Along with the fact that we have a
12 significant reduction in those dollars, we have over
13 a twenty percent reduction, if not more, of those
14 dollars. So there is many, many fewer dollars to go
15 around. We have had to make some very difficult and
16 very painful decisions. But all of those have been
17 guided by and advised by the Department of Housing
18 and Urban Development.

19 COMMISSIONER SIMS: I understand what you
20 are saying. But you have to tell HUD that you are
21 shifting those dollars.

22 MR. BREWER: They tell us.

23 COMMISSIONER SIMS: They tell you, but you
24 can also tell them as well where you want to --

1 MR. BREWER: No, we can't. We can't tell
2 them. We can suggest and we have to stay within our
3 guidelines.

4 COMMISSIONER SIMS: You can suggest.

5 MR. BREWER: I assure you that we cannot
6 continue the practice that has been underway here
7 prior to 2011-2010.

8 COMMISSIONER SIMS: I am not talking about
9 the practice that you had underway. Herman, you
10 have lived in the south suburbs. When you have
11 infrastructure needs in the south suburbs, and there
12 is no money to do those, where do you think those
13 communities are going to get those dollars from?
14 They relied on Cook County to get those dollars to
15 do that.

16 MR. BREWER: An overwhelming majority of
17 our CDBG infrastructure dollars are being spent in
18 south Cook County.

19 COMMISSIONER SIMS: How many projects in
20 2013 were allocated to south suburban Cook?

21 MR. JASSO: I will locate that number. In
22 reiterating Herman's comment, which is eighty-five
23 percent of the dollars are in infrastructure. The
24 vast majority of that is in south suburban. We will

1 get that number to you.

2 COMMISSIONER SIMS: I can give you an
3 example. A bridge that needed to be done in Calumet
4 Park. They were denied. A bridge that is falling
5 in the Calumet. They were denied. But we can give
6 money to the social service programs when there is
7 an infrastructure project that should have been
8 funded.

9 MR. JASSO: Once again, without knowing the
10 details of that project, I am happy to look at that
11 with staff as to why it wasn't funded. For
12 instance, I don't know if CDBG in and of itself was
13 sufficient to actually ensure the completion of the
14 project. Those are all of the factors. We will
15 look into that.

16 COMMISSIONER SIMS: My question, and I have
17 asked you this before, Herman: If a project is
18 coming to you, if it needs to be done in phases, you
19 no longer do phase projects?

20 MR. BREWER: It is not consistent now with
21 how the Federal Government wants to see dollars
22 expended. When we find projects that will require
23 some sort of phase approach, that is where we look
24 for leveraging other resources to see the complete

1 job is done so that you don't have two blocks done
2 and three blocks remaining undone, that sort of
3 thing. We want to be able to plan and leverage our
4 resources, and what other resources can be brought
5 together on behalf of those projects.

6 COMMISSIONER SIMS: If there is nobody that
7 is going to help leverage those dollars, and you
8 have a municipality that says: I need this. If you
9 are talking about a Robbins or Ford Heights, where
10 they have no money, but they are trying to draw
11 businesses or they are trying to get some economic
12 development going, they are not interested in more
13 or less how the housing project is right now. They
14 may be interested in doing infrastructure projects.

15 Are we talking to them? Or are we
16 making those decisions here?

17 MR. BREWER: We are talking to the
18 communities that you have mentioned practically on a
19 daily, if not weekly, basis.

20 COMMISSIONER SIMS: Your conversations with
21 them and my conversations with them are totally
22 different.

23 MR. BREWER: Let me try to be clear. This
24 goes far beyond the desires of a municipality and

1 our desire to fund the deals. It goes into whether
2 or not we have got proper engineering. It goes into
3 whether or not you can successfully complete a
4 project. There a number of things.

5 We have, again, dollars awarded to
6 projects in communities that have not started, that
7 have languished for a time. We have gone in and
8 tried to work with those communities. We have
9 provided consultants to work with those communities.
10 Again, we are trying to keep from having funds
11 languish unspent, to try to apply them to work that
12 can get done.

13 That is so we can continue to move
14 forward. But we have spent an extraordinary amount
15 of both time and dollars in the communities that you
16 mentioned for a host of those very needed projects.
17 We can give you a very detailed report.

18 COMMISSIONER SIMS: I would like to see the
19 infrastructure projects and I think this Board would
20 like to see the infrastructure projects that have
21 been done.

22 MR. BREWER: No problem.

23 COMMISSIONER SIMS: Because what I have
24 been told by my Mayors, and my municipalities, is

1 that none of them got any CDBG funding, only one.

2 MR. JASSO: We will be happy to provide
3 that to you.

4 CHAIRMAN DALEY: Commissioner Murphy.

5 COMMISSIONER MURPHY: I have a similar
6 problem with funding of these social services. They
7 get money from everywhere. They get private
8 donations. They get money from the government.
9 They get money. So us doing that with the CDBG
10 block grant I don't think is a good idea.

11 I don't know if you need a petition
12 from this Board to HUD. What has to be done? That
13 money should be used in the various municipalities
14 for infrastructure and for building. I know of
15 three folks in my District that were awarded CDBG
16 block grant funds. They got everything saying that
17 the money was coming, and that was reversed. And
18 then after the fact they were telling them no it was
19 not going to be granted this year. Why that would
20 happen, I don't know. This was in one year. It was
21 in the third year of an ongoing project. I know
22 they said that there will be money for them next
23 year. Not the same amount, but that there would be
24 money next year.

1 We have other areas in our budget
2 where we are giving money to all of these social
3 services. To come out of the CDBG block grant funds
4 that have traditionally been used for infrastructure
5 for buildings, for working in the municipalities for
6 things they consider they need, I think to change
7 that at this date when the need is greater is not a
8 good thing.

9 How do we go about talking to whoever
10 we need to talk to about getting this changed back?
11 Is there a law now that we must give to social
12 services? Or is it a deal that they made with the
13 City saying: Yes, we are going to help you guys
14 out. I would like to know exactly what has happened
15 here.

16 MR. JASSO: Once again, I won't speak to
17 the past. I haven't been in the position long
18 enough to speak to the past. I know that
19 traditionally there is traditional use of CDBG in
20 part for social services. Not necessarily with
21 respect to the County in the past -- I can't speak
22 to that -- but in terms of CDBG nationally.

23 Usually it is a limited portion. I
24 believe it is limited to fifteen percent of total

1 CDBG allocation that is eligible to be used for
2 social services. The vast preponderance has to be
3 used for infrastructure.

4 I think earlier the comment was made
5 by Superintendent Yonan about trying to work more in
6 terms of working with the economic development. We
7 are trying to figure out where, for instance,
8 highway dollars are utilized for infrastructure.
9 Yet it reached the limitation where local dollars
10 IDE/CDBG have to be utilized to help create some
11 catalyst development. We are trying to do that.

12 We have to think much more
13 holistically about our investments in
14 infrastructure. So it is very much in the norm. We
15 do know that there is lots of needs out there for
16 public dollars, both for infrastructure and for
17 social services and community development. We are
18 trying to balance that. That is what we have looked
19 at in terms of doing this. It does not take away
20 from the need and the very unmet need of
21 infrastructure that exists far beyond the means of
22 CDBG, or, in fact, even our highway dollars.

23 So it is something that we are very
24 cognizant about, about trying to address that as

1 well.

2 MR. BREWER: I also want to point out --
3 the decisions that are brought for funding went
4 through our Community Advisory Development
5 Committee, which meets here on a fairly regular
6 basis surrounding the allocations. There are
7 several south suburban Mayors who sit on that board,
8 who have overseen and directed around this award
9 allocation. This has gone through a fairly robust
10 review, both with the elected officials and citizens
11 in all parts of suburban Cook County.

12 Also I should point out that there was
13 a statement made: Does this have anything to do
14 with the City? There is absolutely no engagement
15 with the City of Chicago in our decision-making
16 relative to the allocation of grant dollars to south
17 suburban Cook County.

18 COMMISSIONER MURPHY: Are we allowed to sit
19 in on some of these meetings? Are they open to the
20 public?

21 MR. BREWER: Yes. You are all invited to
22 every one. Many of those folks who sit on this
23 Commission --

24 COMMISSIONER MURPHY: I don't know that. I

1 never had an invitation. I don't know the date when
2 they are meeting. Are they sent out to us?

3 MR. BREWER: Yes. They are public hearings
4 and they are held here in this chamber.

5 COMMISSIONER MURPHY: I would like to be
6 notified. I don't remember seeing it. I probably
7 wasn't looking for it, but if we can be notified
8 when these meetings take place, I would like to
9 attend some of them.

10 Thank you.

11 MR. BREWER: We can make sure of that,
12 Commissioner.

13 CHAIRMAN DALEY: Commissioner Collins.

14 COMMISSIONER COLLINS: I need some
15 information from you. What I would like to see is a
16 rundown, an itemized list of the HOME program. What
17 you spend on the HOME program, in what areas, and
18 how much you had to spend. The cost for rehabbing,
19 and do a comparison in terms of that. I have that
20 concern. We shared that concern about how much you
21 were spending on each place. I have been out there
22 to the ribbon cuttings. One area I am not going to
23 name I did a five-unit building for less than the
24 cost you did for a small house with two units. I am

1 concerned about that. I was concerned about that.

2 I understand that when you are doing
3 buildings you may run into something that is
4 definitely going to give you a cost overrun. You
5 can either lose or you can put the extra money in
6 there and you may be over. I understand that
7 because I used to do a lot of that. I kind of
8 retired now from dealing with it myself. Let me see
9 that.

10 The social service piece -- I would
11 like to know who received the money and for what.
12 It is true that you can use a percentage of that
13 money. I can't say it is fifteen or whatever, but I
14 do know that you can use part of that money for
15 social service programs. I just want to know who
16 they are, what they do, and how much you spend.

17 MR. BREWER: We are going to give each of
18 you a very detailed breakdown of CDBG expenditures,
19 HOME investment funds, as well as our Neighborhood
20 Stabilization program expenditures.

21 COMMISSIONER COLLINS: The special HUD
22 money; does that come under you as well? HUD gave
23 us something like \$30 million. It was all in the
24 newspaper; I am told that.

1 MR. BREWER: That is the BUILT in Cook
2 fund.

3 COMMISSIONER COLLINS: What is that?

4 MR. BREWER: That is the BUILT in Cook fund
5 which we talked about a few minutes ago.

6 COMMISSIONER COLLINS: Have you already
7 appropriated that money?

8 MR. BREWER: That is a loan guarantee fund.
9 We are out scouting potential commercial and
10 industrial deals for that loan guarantee fund to be
11 applied to.

12 COMMISSIONER COLLINS: Why do we need a
13 loan? I mean, Jesus Christ. The more loans we have
14 adds to our debt.

15 MR. JASSO: It is technically a loan to us.
16 Really, the way it works, it is a loan guarantee
17 program. So essentially HUD -- we can leverage our
18 CDBG dollars for a loan for \$30 million. What we
19 are then doing is making those loan funds available
20 to small business enterprises throughout the County.
21 That will allow them to do business-related things,
22 such as equipment purchases, etcetera, which would
23 create jobs and add jobs.

24 We were awarded it this past year in

1 2013. We are currently structuring a loan program
2 right now so that it will be available in 2014 to
3 businesses throughout the County. It is not a
4 microloan, but that level right above it where
5 companies that are good companies, good credit
6 companies, but may just be beyond their point with
7 respect to specific banking institutions, where we
8 can partner with those banking institutions and make
9 that credit available.

10 Many times that makes a difference in
11 a company buying a piece of equipment, which in turn
12 adds jobs to their company, and not doing that.

13 COMMISSIONER COLLINS: It is not your
14 fault. Let me tell you this: I don't know whether
15 the press made a mistake. Usually what I read I
16 learn from the newspaper. It did not say in any
17 sense that it was a loan program. It said HUD -- we
18 were able to get \$30 million from HUD. We were
19 talking about -- I was talking about HUD had a right
20 to give us, in this County, money as they do in
21 other places, to build homes and to help businesses.

22 It is not a loan. But we ought to be
23 getting money to do that from HUD, from the extra
24 money that they had. If it was a loan, it should

1 have been said it was a loan. They should not have
2 said it is as though we captured \$30 million.

3 People come to us as Board members
4 asking us these questions. They are wanting to know
5 how they can get a piece to do legitimate projects.
6 I don't know. I don't know when it is a loan or a
7 given that we are entitled to.

8 MR. BREWER: Commissioner, we will provide
9 you with all of the detail available on each of the
10 programs, and also give you a briefing on where we
11 have expended dollars. The HOME program, for
12 example, has targeted and expended a number of
13 dollars for projects in Maywood, for example, as a
14 target area.

15 We will give you a very detailed
16 report on each of those program expenditures for
17 housing and others in your District.

18 CHAIRMAN DALEY: Commissioner Butler.

19 COMMISSIONER BUTLER: I need to ask this
20 question before I forget.

21 Are you guaranteeing the loan or are
22 you providing the loan?

23 MR. JASSO: It is a loan guarantee that is
24 provided typically through a third party. But it is

1 a guarantee through our CDBG allocation from HUD.

2 COMMISSIONER BUTLER: You are standing
3 behind the loans, actually?

4 MR. JASSO: Yes, we do.

5 CHAIRMAN DALEY: Commissioner Murphy.

6 COMMISSIONER MURPHY: Thank you.

7 I just want to add one thing. I know
8 what you are doing is huge. It is so diverse and
9 you have so many parts to it. It is confusing
10 because we don't really know what is happening and
11 why certain things are happening.

12 I know there is going to be an
13 accommodation for those folks who didn't get the
14 grants that they were told they were going to get,
15 then it was taken back. There will be some
16 accommodation for them next year.

17 I think keeping us informed so that
18 when we get the phone calls we can give an answer to
19 our constituents, that this is why it happened --
20 and I did, after talking to Herman -- thank you very
21 much -- I did have a reason for them, and then they
22 are not as angry and upset as they were when they
23 first made the phone call.

24 I don't mean to sound angry or upset

1 with you because I know you have a huge job ahead of
2 you and you do it well.

3 Thank you.

4 CHAIRMAN DALEY: Commissioner Steele.

5 COMMISSIONER STEELE: Herman, with some of
6 the recent changes in staffing in the department,
7 how are we going to be able to meet some of the
8 needs we have in the program areas that we have lost
9 the staff, in some of the CDBG areas that you had on
10 board?

11 MR. BREWER: Sure. We have had significant
12 reduction in staff, particularly in our Planning and
13 Development area. That has -- in some respects, we
14 have looked to target more dollars to go out the
15 door. But, essentially, we are more reliant on the
16 systems now that are in place and that have not been
17 place before.

18 We are a great deal more automated.
19 We have underwriting spreadsheets. We have staff
20 that has been trained on how to more efficiently and
21 effectively handle the process, both allocations and
22 grants and loan monitoring. We have got many fewer
23 staff, but we have a higher skill set being applied
24 to the work.

1 COMMISSIONER STEELE: So even with the
2 higher skill set, and with the implementation of the
3 grants that we have talked about today, about the
4 lag in time, is that going to be able to keep us on
5 track with the loss of that staff?

6 MR. BREWER: Yes. In fact, with the
7 reductions that we have had -- when I came on board,
8 we had seventy-five FTEs in that one department. We
9 are down to somewhere around thirty-five or forty.

10 We have quadrupled our production in
11 terms of the allocation, the monitoring and the
12 reporting back of our dollars with HUD. We have
13 been recognized for that this year.

14 COMMISSIONER STEELE: What is the most
15 significant department under you that was hit, that
16 had the largest amount of reduction? What is that?
17 Economic Development? Or what is that particular
18 area?

19 MR. BREWER: Probably Planning and
20 Development for sure because it was so federally
21 grant-dependent. There are several programs that no
22 longer exist, the Neighborhood Stabilization
23 program. That was \$35 million. Several of those
24 programs have evolved, as was reported here. We

1 have had significant reductions in the other major
2 program allocations.

3 COMMISSIONER STEELE: I will speak to you
4 offline with some other questions that I have.

5 CHAIRMAN DALEY: Commissioner Suffredin:

6 COMMISSIONER SUFFREDIN: Thank you, Mr.
7 Chairman, and ladies and gentlemen of the Committee.

8 Mr. Brewer, earlier this year we used
9 some of our revenue bond tax caps to issue some
10 bonds. It was the first time we have done it in a
11 number of years.

12 Do you see that as a tool that we will
13 be able to use to help businesses and not-for-profit
14 ventures who don't have access to some of the
15 financial markets?

16 MR. BREWER: Absolutely -- you are speaking
17 to the private activity bond. We did secure \$10
18 million worth of that for Cook County for this year.
19 That is the first time we have secured that since
20 2002, I believe. We will have the ability to secure
21 roughly that amount each succeeding year. We will
22 go after it as aggressively as we did this year.
23 The first deal we did, that the Board voted on
24 recently, was the \$4.5 million deal.

1 Yes. It is a tool and resource
2 available to us for supportive housing, housing for
3 people with disabilities, the elderly, and the like.

4 COMMISSIONER SUFFREDIN: One of the things
5 that we have been hearing a little bit here. I
6 don't want to get into the regional distribution.
7 Various tools have greater impact in certain parts
8 of the County than others. I think sitting down
9 with some of the communities that I especially
10 represent, and talking about if there are ways to do
11 joint ventures and to use the bond program; that may
12 be a way for us to get involved in homeless shelters
13 and affordable housing issues that are a little bit
14 different in the northern end of the County than
15 they are in the southern end.

16 I think there is probably
17 receptiveness from the governments, even though they
18 are all home rule governments, so we don't get into
19 the CDBG money. A lot of our programs don't apply
20 to them. But I do think that one of the things that
21 we need to show is that we are reaching out and
22 there is a distribution of issues. If you will just
23 keep that in the back of your mind.

24 The other thing you and I have talked

1 about a couple of times. As we look at the 6Bs and
2 the 8s, we have had two situations that have come up
3 in my District. This is where a business is moving
4 from one municipality, maybe a mile to the next
5 municipality, and getting a 6B break there. In one
6 case, an auto dealership left the first community
7 vacant space, that it has taken a while to get. In
8 the second situation, the owner was extremely
9 responsible in that he went out and found tenants
10 for the space he was leaving. The third situation,
11 the person moving the mile to the next community
12 over left a gap that is still there for that
13 community.

14 You and I talked about having some
15 criteria so that we are not cannibalizing our own
16 county. This would be the same as if some south
17 side business wanted to move north. We need to be
18 careful that our benefits are, in fact, generating
19 new economic activity and new jobs, not just moving
20 jobs from one place to another to give an investor a
21 benefit.

22 Do you want to comment on how you want
23 to look at doing that?

24 MR. BREWER: Sure, Commissioner. I

1 appreciate the question.

2 We are really working hard to sort of
3 try and reduce, if not eliminate, that sort of zero-
4 sum game that is applied. I recall seeing those
5 sort of games being played when I worked at the
6 local municipal level, where we had firms shopping
7 bids back and forth between municipalities.

8 There are, as you mentioned in the
9 beginning, some eligibility issues relative to
10 census tract and demographic numbers with grant
11 dollars and the like; the sort of distribution of
12 resources.

13 I think we are very fortunate here in
14 the discussions that we have been having with
15 municipalities all across the County -- south, west,
16 and northwest, in particular, which has led to us
17 expanding, for example, the home consortium to
18 include a number of the other municipalities, the
19 northwest, and southwest.

20 The 6B tax incentive situation --
21 again, it was very helpful to us that you brought it
22 to our attention. The one case that you mentioned
23 about an entity moving from one town to the next.
24 We have again scaled up our staff resources, not

1 dramatically in terms of numbers, but, again, as I
2 said to Commissioner Steele, in terms of the skill
3 set and experience in looking at these kinds of
4 requests.

5 We can look in more detail as to where
6 they are coming from, whether they are expanding to
7 another site as opposed to leaving one site for the
8 other, and whether there is a net gain.

9 We have been aided with this sort of
10 review by EDAC, the Economic Development Advisory
11 Committee, which is a cross-section of private
12 sector folks, municipal leaders, civic leaders, and
13 others to help advise staff around these kinds of
14 things.

15 When we look at, for example, in the
16 seventies, we are looking at very, very substantial
17 tax incentives over twelve years. Courtney Pogue
18 has joined our team, with Mike and his team in
19 Planning Development. They have significant
20 experience on the private side in packaging and
21 looking at these kinds of incentive deals. He is
22 able to assist Mike and myself and Cheryl Caldwell
23 in looking broadly around the underwriting and the
24 considerations for those incentives requests.

1 All of this fed into our working group
2 that met last year.

3 COMMISSIONER SUFFREDIN: I appreciate that.
4 I also appreciate the outreach that you have done.
5 I think there was a time when most of my
6 municipalities wouldn't even think of asking the
7 County in for a consultation when there was an
8 economic development issue. They now view you as a
9 partner, and I appreciate that.

10 Thank you.

11 CHAIRMAN DALEY: Commissioner Garcia.

12 COMMISSIONER GARCIA: Thank you, Mr.
13 Chairman.

14 Herman, in the vein of some of the
15 questions raised by previous speakers related to
16 CDBG funding, to what degree has the shrinking pot
17 of Federal dollars flowing to the County made it
18 more challenging for you to choose between
19 infrastructure, hard projects, so to speak, and
20 human services-related types of funding? Has that
21 been a challenge for you?

22 MR. BREWER: Certainly any time you
23 experience the reduction in dollars you experience
24 those decisions becoming much, much tougher. The

1 criteria that has been applied and mandated by the
2 Federal Government for how we do these allocations,
3 and how we make those decisions, is significant.
4 The oversight is a great deal more involved than it
5 had been in the past. This kind of an
6 administration requires a lot more information on
7 how we do this. We get pretty rapid feedback from
8 them, as well.

9 We have also spent a lot of time, as I
10 mentioned in other questions, meeting with those
11 municipalities, meeting with those agencies. We are
12 participating in research projects, and also working
13 with other folks in the civic and philanthropic
14 arena, as well as some of the think tanks.

15 Today, we have been recognized for the
16 approach we have taken. We have been recognized by
17 the Brookins Institute, and other think tanks,
18 particularly in the Washington-Federal arena for the
19 decisions and strategies that we have deployed here
20 in Cook County.

21 We were most recently featured in a
22 book published by the Brookins Institute called,
23 "Confronting Suburban Poverty." The President was
24 cited in the book.

1 There have been a number of other
2 counties across the country now, particularly in the
3 calendar year 2013, who have seen and written and
4 read about our work. Some of them are looking to
5 model their approaches to these issues based on what
6 we have attempted to do here in Cook County.

7 It has been a very tough ride for us,
8 but the outcomes, I think, are favorable around how
9 we have approached this.

10 COMMISSIONER GARCIA: With the reality of a
11 shrinking Federal pot of money from CDBG sources, a
12 part of what we have got to do in Cook County,
13 particularly in the south suburbs, and possibly in
14 the western suburbs, perhaps to a lesser degree, is
15 to partner with business and with industry.

16 To that degree, one of the great
17 promises for the Southland is the development of the
18 CNN rail yard as a hub and an economic development
19 engine for the region.

20 Can you talk a little bit about how we
21 are looking to help that move forward and connect
22 many of the suburban communities there to that
23 potential economic engine as it relates to the
24 region's rail assets and intermodal assets? And how

1 that may produce jobs and expand the small business
2 development in the south suburbs?

3 MR. BREWER: Sure. It is a great point.
4 Certainly the Canadian National Railroad is poised
5 to be a very significant player in the economic
6 revitalization of the Southland. They are
7 strategically located in south Cook County. They
8 have significant real estate and real assets in
9 south Cook County.

10 I have actually had two separate
11 conversations with CNN staff just this week around a
12 number of things, around policy, legislation, some
13 of their infrastructure decision-making.

14 We, I think, made a significant step
15 here in the County in supporting their future plans
16 with funding. We worked with John Yonan's team in
17 the redevelopment of Center Street, which bisects
18 and runs parallel to that rail yard. That is a
19 significant enhancement for both future
20 considerations as well as other entities there, like
21 UPS and others in south Cook County.

22 We have continued -- I will say myself
23 and President Preckwinkle and the members of the
24 staff have continued to meet with those involved in

1 the rail industry, particularly those in south and
2 west Cook. There have been multiple discussions on
3 how we can assist in them going forward.

4 COMMISSIONER GARCIA: Thank you very much.

5 CHAIRMAN DALEY: Any other questions?

6 Commissioner Schneider.

7 COMMISSIONER SCHNEIDER: Thank you, Mr.
8 Chairman.

9 I think the point that Commissioner
10 Suffredin brought up a bit earlier about people
11 moving from one site to another, within their very
12 near locale, is a big concern. However, I think the
13 situation is also a little more complex because all
14 of these people are going to tell you that if they
15 don't get this, they are going to move out of the
16 County where there would be a net loss. I'm sure
17 that's one of their arguments for saying they are
18 moving here -- if you don't give me this, I am going
19 to move out of the County. That is a concern I have
20 regarding some of that. You have to be careful if
21 they are truly going to move out of the County or
22 not, in which most cases they are not.

23 I would just like to thank Director
24 Brewer for his commitment to enhance the economic

1 vitality, especially in the suburban areas of Cook
2 County, in establishing the advisory committee that
3 helped to expand the 6B and come up with a couple of
4 new proposals in the County to create a more level
5 playing field within the County that allowed Cook
6 County to compete on a better level with so many of
7 the other counties surrounding the County.

8 Most nearly in my District, it is
9 Lake, DuPage, and Kane. I really appreciate the
10 willingness to engage in conversations with all of
11 those people in those areas and find out what their
12 concerns are so that we can continue to build this
13 economic engine of vitality and economic growth in
14 Cook County.

15 Director Brewer, thank you very much
16 for your efforts in that behalf, and all of those
17 people behind you that had a part in that. I would
18 like to thank them as well. These improvements
19 don't happen overnight. You have to believe in what
20 they are doing. It is a very slow growth type of
21 thing to see what is going on. This is like an
22 increase in tax, and all of a sudden in the next
23 quarter you see an increase in funds in the County.
24 When it comes to economic growth, it happens more

1 slowly. I think what we are doing, through the
2 Bureau of Economic Development, is really engaging
3 the public and increasing the vitality, as I said,
4 in the County. I want to commend you and your
5 department for all you are doing. I think it is
6 more important than most people can even believe. I
7 hope that you will continue your efforts to level
8 that playing field.

9 I would also like to commend
10 Commissioner Tim Bleuher, during these times when we
11 are doing more and more inspections in trying to
12 bring unincorporated Cook County up to code, and be
13 more in line with what the local municipalities are
14 doing. That becomes a very difficult task sometimes
15 for the Commissioners because we are getting the
16 fallout for a lot of those things. But because of
17 the communication with your department in dealing
18 with these people, and talking to you, you were able
19 to mitigate some of these things. Not changing
20 people's minds or overlook the requirements, but to
21 work with people to come to a fair conclusion.

22 I really appreciate your efforts and
23 communication. It has been a big help to me, and I
24 want to thank you for all you have done and your

1 whole department, Herman. Thank you very much. I
2 appreciate it.

3 CHAIRMAN DALEY: Commissioner Butler.

4 COMMISSIONER BUTLER: Mr. Brewer, could you
5 get me a copy of whatever the plan for the medical
6 district is?

7 MR. BREWER: Yes.

8 COMMISSIONER BUTLER: I appreciate it.

9 CHAIRMAN DALEY: Commissioner Garcia.

10 COMMISSIONER GARCIA: No.

11 CHAIRMAN DALEY: Vice Chair Sims.

12 COMMISSIONER SIMS: Herman, I don't know if
13 this question is for you or not -- first of all, let
14 me just say that Matt DeLeon has cleared up
15 something for me about social agencies. Maybe my
16 definition and your definition is different. I will
17 give you that.

18 My question to you is: How many
19 people are you hiring in this budget?

20 MR. BREWER: For the Bureau itself, I
21 believe we are looking at three in Capital Planning;
22 two in Capital Planning (??) and three in Planning
23 and Development.

24 COMMISSIONER SIMS: So we are talking about

1 seven people?

2 MR. BREWER: Correct.

3 COMMISSIONER SIMS: How many people have
4 you laid off?

5 MR. BREWER: This year, recently we have
6 laid off eight grant-funded positions. The seven
7 that I mentioned are not grant-funded positions.

8 COMMISSIONER SIMS: So the positions that
9 you are planning on filling are not grant-funded
10 positions?

11 MR. BREWER: Correct.

12 COMMISSIONER SIMS: You are not going after
13 those grants in this cycle? Or those grants have
14 expired and that is the reason why those people were
15 laid off? Or are you going to go after those grants
16 again?

17 MR. BREWER: We will continue to go after
18 grants. We have laid off grant-funded positions
19 every year that I have been here. Again, the new
20 positions that we are talking about are either
21 funded through the Corporate Fund or through other
22 revenue funds that we are moving.

23 COMMISSIONER SIMS: So the people that were
24 laid off -- it is seven of them?

1 MR. BREWER: Eight.

2 COMMISSIONER SIMS: Eight of them -- the
3 grant that they were funded under no longer exists;
4 is that what you are saying?

5 MR. BREWER: One of no longer exists. That
6 was the Neighborhood Stabilization program which is
7 gone. And reductions in the HOME funds. We also
8 mentioned the significant reduction in the community
9 development block grant funds.

10 COMMISSIONER SIMS: The new people that you
11 are hiring will strictly be corporate?

12 MR. BREWER: They are revenue funds, not
13 grant-related.

14 COMMISSIONER SIMS: Not grant-related? I
15 guess that answers that question.

16 My other question is -- did you know
17 that you don't have to use your fifteen percent for
18 social services? That you could use it all for
19 CDBG?

20 MR. BREWER: It is all CDBG funds as the
21 source.

22 COMMISSIONER SIMS: You can use it for
23 infrastructure as opposed to using it for social
24 services. You don't have to use up the fifteen

1 percent?

2 MR. BREWER: That is correct. We try not
3 to go over our caps.

4 COMMISSIONER SIMS: But you don't even have
5 to use the fifteen percent. You could use a lesser
6 amount.

7 MR. BREWER: In some cases, we have in
8 given years; that is correct. But we are again
9 trying to be responsive to the requests that we have
10 received in all of the categories. Trying not to
11 pit one category against another.

12 This is, as I said before, this was an
13 extraordinarily difficult year in making those
14 decisions. Our staff deployed a fairly robust set
15 of criteria in making the recommendations. We will
16 be forwarding the report and the recommendations and
17 how that was done to each of the Commissioners.

18 COMMISSIONER SIMS: Here is what I would
19 like for you guys to do. Leave the CDBG dollars
20 strictly for infrastructure and find another path
21 for social service agencies so that you have
22 communities -- maybe not only the south communities
23 that now have infrastructure needs, and that that
24 money would be strictly used for just

1 infrastructure. Then in moving forward they would
2 look for more grants to move that part out of I
3 guess from under CDBG, as we have done it in the
4 past.

5 MR. BREWER: I will take that under
6 consideration.

7 COMMISSIONER SIMS: I mean, really take it
8 under consideration; not just tell me that because I
9 am sitting here.

10 MR. BREWER: I will have the staff float
11 your idea with the Federal Government
12 representatives.

13 COMMISSIONER SIMS: I just called
14 Washington, so I know you can do it.

15 CHAIRMAN DALEY: Commissioner, those
16 agencies that will be funded, are you suggesting
17 that they not be funded; the social agencies?

18 COMMISSIONER SIMS: I am not saying don't
19 fund them. I don't have a problem with us finding
20 funding for them.

21 CHAIRMAN DALEY: Where would they find the
22 funding?

23 COMMISSIONER SIMS: That is what I am
24 saying. We are going after more grants. I would

1 like to see them look for more grants.

2 CHAIRMAN DALEY: But until we get those
3 grants --

4 COMMISSIONER SIMS: I am not asking that we
5 take anything away from anybody.

6 CHAIRMAN DALEY: I just wanted to make
7 sure.

8 COMMISSIONER SIMS: No. I just wanted us
9 to look for more dollars someplace else.

10 CHAIRMAN DALEY: But they are Federal cuts.
11 They are cutting at the Federal level. As you know,
12 when you attend the various meetings, and they
13 complain about the cuts from the Federal level; that
14 is where it is coming from. Hopefully we could look
15 at some other options. I just wanted to clarify
16 that, that you did not want to --

17 COMMISSIONER SIMS: I am hoping that we
18 could phase it out.

19 CHAIRMAN DALEY: -- that you didn't want
20 the existing grants --

21 COMMISSIONER SIMS: We started down that
22 path. I am not trying to say that we should take
23 the funding away.

24 CHAIRMAN DALEY: Right.

1 COMMISSIONER SIMS: Just for the record, I
2 don't want to take anybody's funding away. I just
3 want us to find another path in order to provide
4 that service.

5 CHAIRMAN DALEY: Commissioners, when Herman
6 comes back, we will have the Bureau come back at
7 1:30. He will be available to show what has been
8 spent in each District. He will have that
9 information, hopefully. I know he said earlier that
10 a good percentage was spent in the south suburbs.
11 We will want to see that broken down, by District.

12 MR. BREWER: We did, I think, go to the cap
13 in our infrastructure spending.

14 CHAIRMAN DALEY: This Committee will stand
15 in recess to the hour of 1:30.

16 Commissioners, at that time we will
17 deal with the Bureau of Economic Development only.
18 The Bureau of Technology and the Bureau of Human
19 Resources will be heard, hopefully, Tuesday
20 afternoon.

21 Commissioners, on that point,
22 Technology and Human Resources, I will let you know.
23 We might do them Monday afternoon or Wednesday after
24 the Board meeting.

1

Thank you.

I certify that the foregoing is a correct transcript of the original shorthand notes of proceedings in the above-entitled matter.

Anthony W. Lisanti
Official Court Reporter

Date